

**FISCAL YEAR 2004-05  
Governor's (Preliminary) Allocation  
Funding and Program Overview**

The following information provides funding amounts, describes any changes in allocation methodology, and lists programs and their terms and conditions. This exhibit is provided for information and planning purposes only. All state and federal funds to be allocated are contingent upon enactment of the Fiscal Year (FY) 2004-05 Budget Act, federal appropriations, and state/county contracts. For complete information on the terms and conditions of all funds and programs, please refer to the state/county Negotiated Net Amount (NNA) contract and the Drug Medi-Cal (DMC) contract.

**STATE GENERAL FUNDS (SGF)**

**SGF DMC - \$55.6 Million<sup>1</sup>**

Through an Interagency Agreement with the California Department of Health Services, the Department of Alcohol and Drug Programs (ADP) administers, manages, and finances the DMC program through contracts with counties and/or DMC providers. These funds are available to counties to meet the cost of DMC services for Medi-Cal beneficiaries.

Effective July 1, 2004, the Federal Financial Participation (FFP), the federal share of the Medi-Cal program, will be 50 percent.

The level of funding for the DMC program is determined using caseload estimates. Therefore, the appropriation may be adjusted during the year based on caseload, services, and utilization patterns. Changes in the appropriation level can increase or decrease county contracts for DMC services.

**SGF Ongoing - \$5.8 Million**

SGF Ongoing funds are discretionary funds available to counties to meet the cost of alcohol and other drug (AOD) services. These funds cannot be used to match FFP for the DMC program. Funds are allocated at the FY 2003-04 historical level.

**SGF DMC Perinatal - \$2.2 Million<sup>2</sup>**

These funds are available to pay for DMC services for Medi-Cal beneficiaries who are pregnant or within the prescribed postpartum period. Eligibility for these services shall end on the last day of the calendar month in which the 60th postpartum day occurs.

Effective July 1, 2004, the FFP, the federal share of the Medi-Cal program, will be 50 percent.

The level of funding for the DMC program is determined using caseload estimates. Therefore, the appropriation may be adjusted during the year based on caseload, services, and utilization patterns. Changes in the appropriation level can increase or decrease county contracts for DMC services.

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<sup>1</sup> The initial allocation is \$50,021,100. The balance is retained at ADP to fund contractual adjustments during the year.

<sup>2</sup> The initial allocation is \$1,997,100. The balance is retained at ADP to fund contractual adjustments during the year.

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**Perinatal SGF Ongoing - \$17.0 Million**

Perinatal SGF Ongoing funds are for programs that serve pregnant and parenting women and their children through age 17. These funds cannot be used to match FFP for the DMC program and are subject to the requirements set forth in the *Perinatal Services Network Guidelines*.

These funds are allocated at the FY 2003-04 historical level. Alpine County elected not to participate in this program and does not receive Perinatal SGF funds.

**Women and Children's Residential Treatment Services (WCRTS) - \$6.4 Million**

These funds are allocated at the historical level to continue funding the nine existing perinatal treatment programs that were created with grants (since expired) from the federal Center for Substance Abuse Treatment. WCRTS funds are subject to the requirements set forth in the *Perinatal Services Network Guidelines*. These funds cannot be used for purposes of match in the DMC program.

The WCRTS funds are exempt from the ten percent county match requirement. This exemption only applies to state funding provided to replace the expired federal grants and not to any subsequent program expansion.

**REIMBURSEMENTS**

**Parolee Services Network - \$11.0 Million<sup>3</sup>**

The California Department of Corrections continues to make funds available during FY 2004-05 for residential and non-residential AOD treatment and recovery services for men and women paroled to the community from state prisons. These services are available in the counties of: Alameda, Contra Costa, Fresno, Kern, Los Angeles, Marin, Napa, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

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<sup>3</sup> The initial allocation is \$10,700,092. The balance is retained at ADP to fund contractual adjustments during the year.

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**SUBSTANCE ABUSE PREVENTION AND TREATMENT BLOCK GRANT FUNDS**

Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds (federal program number 93.959) are provided by the Substance Abuse and Mental Health Services Administration. The Federal Fiscal Year (FFY) 2005 SAPT Block Grant award number has not been released. The Governor's (Preliminary) Allocation for FY 2004-05 includes funds from the FFY 2005 SAPT award. SAPT funds from the FFY 2005 award will be available October 1, 2004, and must be expended by June 30, 2006.

**SAPT Discretionary Funds - FFY 2005 Award \$132.3 Million**

The SAPT Discretionary funds are for substance abuse treatment, prevention, and recovery services. Terms and conditions for use of the SAPT Block Grant funds are incorporated into the NNA contracts for FY 2004-05.

These funds are allocated at the FY 2003-04 historical level.

**SAPT Discretionary Ongoing Increase - FFY 2005 Award \$1.9 Million**

A SAPT Discretionary ongoing increase of \$1,900,000 from the FFY 2005 award is allocated based on the standard allocation methodology; each county receives \$2,500 per million allocated, with the balance distributed per capita.

**Prevention Set-Aside - FFY 2005 Award \$47.2 Million**

Federal law requires that a minimum of 20 percent of the SAPT Block Grant award be expended on primary prevention services. The SAPT Prevention Set-Aside is allocated at the FY 2003-04 historical level.

The FFY 2005 SAPT Prevention Set-Aside funds available for allocation were reduced by \$500,000 to provide funding on a one-time basis for Technical Assistance for Prevention Outcomes and Measurements (TA POM) contracts. This one-time reduction is pending the approval of the County Alcohol and Drug Program Administrators Association of California (CADPAAC). If CADPAAC does not approve this funding for the TA POM contracts, these funds will be allocated to the counties in the FY 2004-05 Budget Act Allocation.

**Friday Night Live (FNL) - FFY 2005 Award \$552,000<sup>4</sup>**

The FNL program is designed to prevent AOD use among teenagers through activities including community action, assemblies, and leadership training. FNL is supported by SAPT Primary Prevention Set-Aside funds and is designated as a prevention program. Federal law and regulations establish the requirements for expending these funds.

Counties that currently do not receive FNL funding may request funds. These requests must be submitted to ADP with the V.1 Budget Amendments and received within 60

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<sup>4</sup> ADP has allocated \$543,000 for this program. The balance is retained at ADP for distribution to counties who elect to establish a program.

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days of the Budget Act Allocation. Funding is available in FY 2004-05 for counties who plan to establish a FNL program.

These funds are allocated at the FY 2003-04 historical level.

**Club Live (CL) - FFY 2005 Award \$552,000<sup>5</sup>**

The CL program is supported by SAPT Primary Prevention Set-Aside funds and is designated to fund prevention services. The program is an extension of FNL and is aimed at middle school age students. Federal law and regulations establish the requirements for expending these funds.

Counties that currently do not receive CL funding may request funds. These requests must be submitted to ADP with the V.1 Budget Amendments and received within 60 days of the Budget Act Allocation. Funding is available in FY 2004-05 for counties who plan to establish a CL program.

These funds are allocated at the FY 2003-04 historical level.

**HIV Set-Aside - FFY 2005 Award \$12.6 Million**

Federal law requires that five percent of the total SAPT Block Grant award be expended on HIV early intervention services. HIV early intervention services must be made available to individuals in a substance abuse treatment program at the treatment site. HIV early intervention services may be provided at other locations, including satellite treatment sites, and still be funded by the SAPT HIV Set-Aside, provided that HIV early intervention services are also available at the substance abuse treatment site. These funds are for HIV prevention, testing, and counseling services for clients in treatment programs.

These funds are allocated at the FY 2003-04 historical level.

**Perinatal Set-Aside - FFY 2005 Award \$17.1 Million**

The Perinatal program is part of the Perinatal Services Network and is subject to the requirements set forth in the *Perinatal Services Network Guidelines*. Counties must use these funds to increase or maintain existing perinatal treatment capacity and programs.

Counties may also use the SAPT Perinatal Set-Aside funds to expand static capacity in existing perinatal programs, add new perinatal services or programs, and change existing programs.

These funds are allocated at the FY 2003-04 historical level.

**Female Offender Treatment Services - FFY 2005 Award \$645,000<sup>6</sup>**

This program provides six months of additional residential alcohol and drug treatment for women who are paroled from the Forever Free Program at the California Institution

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<sup>5</sup> ADP has allocated \$540,000 for this program. The balance is retained at ADP for distribution to counties who elect to establish a program.

<sup>6</sup> ADP has allocated \$644,640 for this program.

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for Women. The four participating counties (Los Angeles, Orange, Riverside, and San Bernardino) are required to comply with all state/county contract terms and conditions. Women on community parole may receive Female Offender Treatment Program services if women from the Forever Free Program under-utilize the services.

**SAPT Special Projects/Media Campaign - FFY 2005 Award \$288,000**

Funds for special projects are allocated to: Alameda County, for the African American Women's Media Campaign (\$27,500); Los Angeles County, for the Alcohol Center for Women (\$95,000), for the Hispanic Women's Media Campaign (\$65,000), and the African American Women's Media Campaign (\$27,500); Modoc County, for the Indian Health Project (\$25,000); and Tulare County, for the Tule River Tribal Council (\$48,000).

**Adolescent and Youth Treatment Program - FFY 2005 Award \$7.4 Million**

SAPT Adolescent and Youth Treatment funds were combined in the FY 2002-03 Budget Act Allocation. The *Youth Treatment Guidelines* released by ADP in September 2002 were created to assist counties in developing and implementing youth treatment programs funded by this allocation.

These funds are allocated at the FY 2003-04 historical level.

**Substance Abuse Treatment and Testing Accountability (SATTA) Program -  
FFY 2005 Award \$8.6 Million**

In accordance with the SATTA program, \$8.6 million is allocated in FY 2004-05 for drug testing. These funds are from the FFY 2005 SAPT Block Grant Award. Funds for the FFY 2005 award are available October 1, 2004, and must be obligated and expended by June 30, 2006. Funds may be used for drug testing of clients under the Substance Abuse and Crime Prevention Act of 2000 (SACPA) and for other purposes allowed under SAPT.

Alpine County declined SATTA funds for FY 2004-05. As a result, Alpine County's allocation has been redistributed to participating counties using the SACPA allocation methodology.

These funds are allocated at the FY 2003-04 historical level.